

## **REMARKS**

Upon entry of this amendment, claims 1, and 5-23 are pending in the application. Claims 24-36 are withdrawn. Claims 19 and 20 have been amended for clarity only. Reconsideration and allowance of the application in light of the amendments and arguments herein is respectfully requested.

### **Restriction Requirement**

In response to the Restriction Requirement included with the Office Action, the Applicants hereby elect, without traverse, Group I, claims 1, 2, and 5-23, drawn to a pay for placement method and database search system including storing search listings, receiving a bid cap and rank, adjusting bid amounts, and incrementing bid amounts in the event of a tie.

### **35 U.S.C. § 102 Rejections**

Claims 1-2, 5-9, and 12-21 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,269,361 ("Davis"). "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." MPEP § 2131. The Applicants respectfully submit that Davis does not teach each and every element of the rejected claims.

As stated on page 4 of the Office Action, the Examiner agrees that Davis does not teach the use of tie conditions recited in claims 1 and 19, yet considers the arguments moot in view of new grounds of rejection. These new grounds, however, have been to use Davis once again to reject the claims under § 102(e) instead of under § 102(b). The Applicants respectfully submit that restating the rejection under another subsection of 102 does not change the substantive arguments themselves when no new prior art reference is introduced. For at least this reason, the Office Action concedes that claims 1 and 19 are patentable over Davis.

Additionally, the Applicants renew their positions that Davis does not teach use of a “bid cap” as required by claims 1 and 19. The bid cap is also recited or made reference to in dependent claims 2, 5, and 15-17, which are likewise patentable for at least the same reasons as herein explained with reference to claims 1 and 19. Specifically, claims 1 and 19 require that adjusting the bid amount and re-ordering the search listings are based at least on the “bid cap” over which the method will not increase the bid amount.

Nowhere in Davis does it disclose a “bid cap” nor does it teach that a bid amount is adjusted or search listings are re-ordered based on a bid cap. Indeed, nowhere in Davis does it teach that anyone other than the advertiser is the one to change a bid amount, and therefore, use of a bid cap would make no sense because the advertiser always directly submits bid amount changes. See Summary, col. 5, l. 53 to col. 6, l. 34.

In other words, no method is disclosed that would use logic to automatically adjust a bid amount in accordance with a bid cap or to react to a tie condition by incrementing the bid amount. Only one passage in Davis refers to use of “a routine,” which is to locate the search listing in a database having the desired rank/search terms combination, retrieve the associated bid amount, and then calculate a bid amount N cents higher. Col. 19, lines 50-58. This is not carried out automatically, however, but only “upon receiving approval from the advertiser.” Id. The reason such approval is required is because there are no bid caps taught by Davis that an advertiser could set up, a priori, and thus the system would have to ensure approval from the advertiser first.

The Office Action, page 4, states that Davis discloses bid caps “as the current balance.” The Applicants respectfully submit that this cannot be the case because an account balance refers to the money an advertiser has available to pay for online click events for all the advertisers’ search listing results. “Preferably, only advertisers with funds in their [ ] accounts may have their paid listing included in any search results lists generated.” Col. 14, lines 25-27. Thus, the current balance is a question of having the search listings included in search results at all, not whether any single listing may have its bid amount increased up to a certain threshold. That is, a bid cap “is the maximum dollar amount at which the bid of a search listing may be set by the system.”

Application, page 12, lines 19-20 (emphasis added). The account balance would run anywhere from tens of dollars into the thousands of dollars depending on the number and rankings of an advertiser's search listings. A bid cap would, in contrast, remain in the range of bidding on any given search listing, such as between \$0.05 and \$3.00.

Because Davis fails to teach each and every element of claims 1 and 19, Davis fails to anticipate claims 1 and 19. Additionally, Davis fails to anticipate claims 2, 5-18, and 20-23 by virtue of their dependency from claims 1 and 19.

Claim 6 recites "reducing the bid amount to a minimum bid necessary to retain the best attainable rank for the selected search listing." The Office Actions cite to Davis, page 19, lines 12-15 that discusses displaying to an advertiser, along with the current rank for a listing, the bid amount required to become listed number one. This teaches the exact opposite of the claim 6 in that presumably, unless a listing is already at number one, an advertiser would have to increase the bid amount to reach the number one position. Claim 6 teaches reducing the bid amount to a minimum bid to "retain the best attainable rank," not to increase it to the highest or maximum bid for a listing.

Claim 7 recites "reducing the respective bid amounts only if the reduced bid amount exceeds a system minimum bid." The Office Actions cite to Davis, column 5, lines 50-55, which discusses how non-paid search listings are handled in generating search results. This passage, therefore, is unrelated to reducing bid amounts for advertisers that pay for placement. The system and method of Davis, as conceded in the latest Office Action, allows website promoters to influence a position for a search listing in search results by paying for placement, e.g. by adjusting their bid amount.

Claim 12 recites "if adjusting the respective bid amounts produces an adjusted rank that is below the requested rank because of the tie condition, leaving the bid amount unadjusted." As discussed previously, and as conceded in the Office Action, Davis does not teach use of or reaction to "tie conditions."

The Applicants also make note that nowhere in either of the previous Office Actions is claim 13 specifically rejected.

### **35 U.S.C. § 103 (a) Rejections**

Claims 10, 11, and 22 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Davis in view U.S. Patent No. 6,560,580 ("Fraser"). The Applicants respectfully submit that these references, taken either alone or in combination, do not render claims 10 and 11 unpatentable for the following reasons.

Applicants overcame the § 103(a) rejection in the previous response by noting that 35 U.S.C. § 103(c) disqualifies Davis as prior art if Davis is used as a section 102(e) prior art reference within the obviousness rejection. The present Office Action states, however, that additional proof is required to show that Overture Services, Inc. was the same company as GoTo.com, Inc. after the latter changed its name to the former, and that intellectual property rights were maintained between the two.

Attached as Exhibit I, please find the merger documents executed October 8, 2001, indicating that Overture Services, Inc. merged into GoTo.com, Inc. under the name of "Overture Services, Inc." This document includes a Certificate of Ownership and Merger adopted by GoTo.com, Inc. acting under the laws of the State of Delaware, its state of incorporation, acting to merge its subsidiary Overture Services, Inc. into GoTo.com, Inc. and to change the name of the corporation to Overture Services, Inc. This document further includes a certification by the Secretary of State of Delaware certifying the corporation certificate of ownership.

Attached as Exhibit II, please find a copy of the notice of recordation of the assignment document listing the patent applications and patents the merger document (Exhibit I) was recorded against at reel 012621 and frame 0446 in the records of the U.S. Patent and Trademark Office. Included in the list is U.S. Application Serial No. 09322677, which had issued by then as U.S. Patent No. 6,269,361 (Davis). Attached as Exhibit III, please find a copy of the assignment digest for the present application, indicating assignment to Overture Services, Inc. at reel 013109 and frame 0869. These Exhibits show that Davis and the present application were commonly owned at the time the present invention was made.

With Davis unavailable as prior art, Fraser fails to disclose all the limitations of claims 10, 11, and 22. Accordingly, withdrawal of the rejection of claims 10 and 11 is

respectfully requested. Even if Davis was available as prior art, for the reasons stated above, claim 1 is submitted to be patentable over Davis and claims 10, 11, and 22 are patentable by virtue of their dependency from claim 1. See MPEP § 2143.03.

Furthermore, the recited passage of Fraser is drawn to undoing a trade either by cancelling a pending order or rolling-back execution during a trade state. Claims 10, 11, and 22, however, are drawn to not adjusting the bid amount in the first place because to do so would be to drop the ranking of the listing. Fraser, therefore, undoes a trade while the rejected claims leave bid amounts unadjusted, clearly two different things.

With this response, the application is believed to be in condition for allowance. Should the examiner deem a telephone conference to be of assistance in advancing the application to allowance, the examiner is invited to call the undersigned attorney at the below telephone number.

Respectfully submitted,

/Nathan O. Greene/  
Nathan O. Greene  
Registration No. 56,956  
Attorney for Applicants

July 20, 2007  
BRINKS HOFER GILSON & LIONE  
P.O. BOX 10395  
CHICAGO, ILLINOIS 60610  
(801) 333-7908

## Exhibit I

*State of Delaware*  
*Office of the Secretary of State* PAGE 1

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I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"OVERTURE SERVICES, INC.", A DELAWARE CORPORATION,  
WITH AND INTO "GOTO.COM, INC." UNDER THE NAME OF "OVERTURE SERVICES, INC." A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE FOURTH DAY OF OCTOBER, A.D. 2001, AT 9 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF OWNERSHIP IS THE EIGHTH DAY OF OCTOBER, A.D. 2001, AT 8 O'CLOCK A.M.



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

2796476 8100M

AUTHENTICATION: 1457075

010589207

DATE: 11-20-01

**CERTIFICATE OF OWNERSHIP AND MERGER  
MERGING  
OVERTURE SERVICES, INC.  
INTO  
GOTO.COM, INC.**

Pursuant to Section 253 of the General Corporation Law of the State of Delaware, GoTo.com, Inc., a Delaware corporation (the "Corporation"), does hereby certify:

**FIRST:** That the Corporation is incorporated pursuant to the General Corporation Law of the State of Delaware.

**SECOND:** That the Corporation owns all of the outstanding shares of each class of the capital stock of Overture Services, Inc., a Delaware corporation ("Sub").

**THIRD:** That the Corporation, by the following resolutions of its Board of Directors, duly adopted at a meeting held on the 2<sup>nd</sup> of October, 2001, determined to merge Sub with and into the Corporation on the terms and conditions set forth therein:

**RESOLVED:** That the Corporation merge Sub with and into the Corporation, with the Corporation being the surviving entity in such merger (the "Merger").

**RESOLVED FURTHER:** That the Merger be effective at 8:00 a.m. Eastern Daylight Time on Monday, October 8, 2001.

**RESOLVED FURTHER:** That upon the effectiveness of the Merger, the Corporation assume all of the liabilities and obligations of Sub.

**RESOLVED FURTHER:** That upon the effectiveness of the Merger, the name of the Corporation be changed to "Overture Services, Inc." and Article I of the Amended and Restated Certificate of Incorporation of the Corporation be amended to read in its entirety as follows:

**"ARTICLE I**

The name of the Corporation is Overture Services, Inc."

**RESOLVED FURTHER:** That upon the effectiveness of the Merger, the Certificate of Incorporation and the Bylaws of the Corporation in effect immediately prior to the effectiveness of the Merger shall be the Corporation's Certificate of Incorporation and Bylaws, except as to the change of name.

**RESOLVED FURTHER:** That upon the effectiveness of the Merger, the directors and officers of the Corporation, as constituted immediately prior to



the effectiveness of the Merger, will be the directors and officers of the Corporation.

**RESOLVED FURTHER:** That the proper officers of the Corporation be, and each hereby is, authorized, empowered and directed, for and on behalf of the Corporation and in its name, to execute and deliver all such agreements, instruments, certificates and other documents, and to take all such further action, as such officers may deem necessary, advisable or appropriate in order to effectuate the intent and purposes of the foregoing resolutions.

**RESOLVED FURTHER:** That all acts and things heretofore taken or done by any officer or other agent of the Corporation on or prior to the date hereof in connection with the transactions contemplated by these resolutions be, and each hereby is, ratified, confirmed, approved and adopted in all respects as acts taken or done on behalf of the Board of Directors of the Corporation.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be signed by Todd Tappin its authorized officer, this 2 day of October, 2001.

GOTO.COM, INC.

By: 

Name: Todd Tappin

Title: Secretary and Chief Financial Officer

## Exhibit II



APRIL 26, 2002

PTAS

Commissioner for Trademarks  
Arlington, VA 22202-3513  
www.uspto.gov

BRINKS HOFER GILSON & LIONE  
STEVEN SHURTZ  
P.O. BOX 10395  
CHICAGO, IL 60610



\*102003649A\*

UNITED STATES PATENT AND TRADEMARK OFFICE  
NOTICE OF RECORDATION OF ASSIGNMENT DOCUMENT

THE ENCLOSED DOCUMENT HAS BEEN RECORDED BY THE ASSIGNMENT DIVISION OF THE U.S. PATENT AND TRADEMARK OFFICE. A COMPLETE MICROFILM COPY IS AVAILABLE AT THE ASSIGNMENT SEARCH ROOM ON THE REEL AND FRAME NUMBER REFERENCED BELOW.

PLEASE REVIEW ALL INFORMATION CONTAINED ON THIS NOTICE. THE INFORMATION CONTAINED ON THIS RECORDATION NOTICE REFLECTS THE DATA PRESENT IN THE PATENT AND TRADEMARK ASSIGNMENT SYSTEM. IF YOU SHOULD FIND ANY ERRORS OR HAVE QUESTIONS CONCERNING THIS NOTICE, YOU MAY CONTACT THE EMPLOYEE WHOSE NAME APPEARS ON THIS NOTICE AT 703-308-9723. PLEASE SEND REQUEST FOR CORRECTION TO: U.S. PATENT AND TRADEMARK OFFICE, ASSIGNMENT DIVISION, BOX ASSIGNMENTS, CG-4, 1213 JEFFERSON DAVIS HWY, SUITE 320, WASHINGTON, D.C. 20231.

RECORDATION DATE: 02/15/2002

REEL/FRAME: 012621/0446

NUMBER OF PAGES: 5

BRIEF: MERGER (SEE DOCUMENT FOR DETAILS)

ASSIGNOR:

GOTO.COM, INC

REG DATE: 10/02/2001

ASSIGNEE:

OVERTURE SERVICES, INC.

74 N. PASADENA AVENUE

3RD FLOOR

PASADENA, CALIFORNIA 91103

SERIAL NUMBER: 09494818

PATENT NUMBER:

FILING DATE: 01/31/2000

ISSUE DATE:

SERIAL NUMBER: 09496221

PATENT NUMBER:

FILING DATE: 02/01/2000

ISSUE DATE:

SERIAL NUMBER: 09575894

PATENT NUMBER:

FILING DATE: 05/22/2000

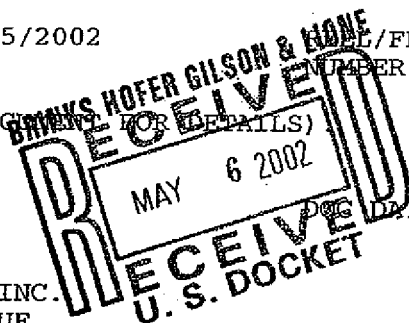
ISSUE DATE:

SERIAL NUMBER: 09915801

PATENT NUMBER:

FILING DATE: 07/26/2001

ISSUE DATE:



012621/0446 PAGE 2

SERIAL NUMBER: 09502692  
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SERIAL NUMBER: 09918241  
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SERIAL NUMBER: 09765802  
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FILING DATE: 01/19/2001  
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SERIAL NUMBER: 09922028  
PATENT NUMBER:

FILING DATE: 08/03/2001  
ISSUE DATE:

SERIAL NUMBER: 09153151  
PATENT NUMBER: 6078866

FILING DATE: 09/14/1998  
ISSUE DATE: 06/20/2000

SERIAL NUMBER: 09322677  
PATENT NUMBER: 6269361

FILING DATE: 05/28/1999  
ISSUE DATE: 07/31/2001

JEFFREY OLSEN, EXAMINER  
ASSIGNMENT DIVISION  
OFFICE OF PUBLIC RECORDS

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03-06-2002

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TO THE



ENTS

Please record

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py thereof.

1. Name of Party(ies) conveying an interest:

GOTO.COM, INC

2. Name and address of Party(ies) receiving an interest:

Name: OVERTURE SERVICES, INC.  
Internal Address: 3<sup>rd</sup> Floor  
Street Address: 74 N. Pasadena Avenue  
City: Pasadena  
State/Zip: CA 91103

Additional name(s) of conveying party(ies) attached?

☐ Yes ☒ No

Additional name(s) and addresses attached?

☐ Yes ☒ No

3. Description of the interest conveyed:

☐ Assignment☐ Change of Name Other:☐ Security Agreement☒ Merger

Execution Date: October 2, 2001

4. Application number(s) or patent number(s). Additional sheet attached? ☐ Yes ☒ No

If this document is being filed together with a new application, the execution date of the application is:

Date

A. Patent Application No.(s)

09/494,818 09/502,692  
09/496,221 09/918,241  
09/575,894 09/765,802  
09/915,801 09/922,028

B. Patent No.(s)

6,078,866 6,269,361

Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

BRINKS HOFER GILSON & LIONE  
Attn: Steven Shurtz  
P.O. BOX 10395  
CHICAGO, IL 60610  
(312)321-4200

6. Number of applications and patents involved: 10

7. Total fee (37 CFR 3.41)

\$ 400

☒ Enclosed☐ Authorized to be charged to Deposit Account No. 23-19258. ☒ Please charge any deficiencies in fee or credit any overpayment to Deposit Account No. 23-1925.

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9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

John G. Rauch, Regis. No. 37,218

Name of Person Signing

  
Signature

February 1, 2002

Date

Total number of pages including cover sheet, attachments, and document: 5

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## Exhibit III



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## Patent Assignment Abstract of Title

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## Total Assignments: 1

Patent #: NONE

Issue Dt:

Application #: 09993926

Filing Dt: 11/13/2001

Publication #: 20030101126

Pub Dt: 05/29/2003

Inventors: Dominic Dough-Ming Cheung, Jane C. Bove, Gabriel Graham, Frank Maritato JR. et al

Title: Position bidding in a pay for placement database search system

## Assignment: 1

Reel/Frame: 013109/0869

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Pages: 7

Conveyance: ASSIGNMENT OF ASSIGNORS INTEREST (SEE DOCUMENT FOR DETAILS).

Assignors: CHEUNG, DOMINIC DOUGH-MING

Exec Dt: 05/23/2002

BOVE, JANE C.

Exec Dt: 05/23/2002

GRAHAM, GABRIEL

Exec Dt: 05/23/2002

MARITATO, JR., FRANK

Exec Dt: 05/23/2002

SNELL, SCOTT W.

Exec Dt: 05/23/2002

DAVIS, DARREN J.

Exec Dt: 05/23/2002

LANG, ALAN ERIC

Exec Dt: 05/23/2002

Assignee: OVERTURE SERVICES, INC.

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Search Results as of: 07/19/2007 11:37 AM

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Web interface last modified: April 20, 2007 v.2.0.1

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